



United States Department of the Interior

BUREAU OF LAND MANAGEMENT HOUSE RANGE RESOURCE AREA

15 East 500 North
P.O. Box 778
Fillmore, Utah 84631

FILE M027/007



IN REPLY REFER TO:

3800

(U-054)

UTU-063447-01

UTU-072886

July 5, 1996

TOM MUNSON
UTAH DIVISION OF OIL GAS AND MINING
1594 WEST NORTH TEMPLE, SUITE 1210
SALT LAKE CITY UT 84114-5801

Dear Mr. Munson:

46/027/007 { Enclosed is a cover letter for a mining notice we received today. It states in the letter that your agency was sent a copy of the notice; therefore, we are not sending you another, but are informing you that we have serialized the case file as UTU-072886.

m/027/007 Also enclosed is an inspection report documenting the joint inspection of the Jumbo mine that we conducted with personnel from your agency and the Division of Water Quality on June 6, 1996, and an updated chronological list of the documents in our Jumbo case file. A comparison of your agency's list with ours reveals that each case file has several important documents not common to both, and so a meeting to exchange documentation would probably be productive. Please contact Sheri Wysong if you would like to schedule such, or if you have any questions about any of the referenced documents.

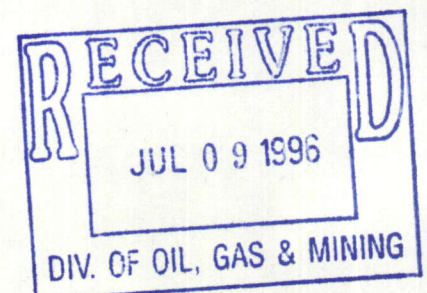
Sincerely,

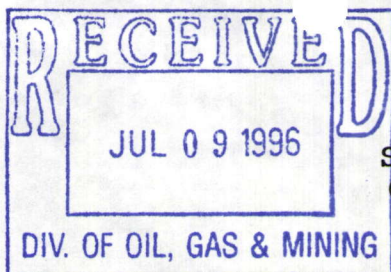
Rex Rowley
Area Manager

ACTING

Enclosure

1. Copy of Letter
2. Inspection Report
3. Chronological List





SURFACE INSPECTION
COMPLIANCE REPORT

Date of Inspection: June 6, 1996

Case Serial No.: UTU-063447-01

Operator: Jumbo Mining

Project Description: Open pit mines, cyanide heap leaches,
exploration.

Legal Description: T. 15 S., R. 10 W., Sections 6, 7 and 18
T. 15 S., R. 11 W., Section 13

District and Resource Area: Richfield/House Range

Inspector: Sheri Wysong

REPORT NARRATIVE (REFERENCE STIPULATIONS BY NUMBER OR TITLE)

This was a joint inspection conducted with Wayne Hedberg and Tom Munson of UDOGM, and Mark Novak of the Division of Water Quality. (DWQ) UDOGM's main objective was to gather information for calculating a new reclamation bond. DWQ's objective was to determine if anything had been done to mitigate the leakage of solution from the heaps into the groundwater. I was there primarily to follow up on the lingering requirements to mitigate the Notice of Noncompliance issued to Jumbo in 1995.

On December 13, 1995, Rody Cox had written a letter to Ed King of Jumbo. We had never received a response, and when asked about that, Dave Hartshorn produced a draft letter (attached) that he said he had sent to Ed King so it could be sent to us. We have no record of receiving the letter, nor was it cc'd to any of the other agencies with representatives present. The draft letter responded to the following issues:

Further testing of DM-S-1A and DM-S-4 samples

The letter stated a willingness to run the tests requested, however the original samples are probably no longer available, and so the tank and the contaminated soil will both have to be re-sampled. Hartshorn said that he had been pouring peroxide in the mixing tank to neutralize the cyanide, so that sample will not have the same results as the original would have had. Bill Wagner from the USO should probably be asked to monitor the sampling.

Underground Storage Tanks

Hartshorn produced a letter (copy attached) from the State of Utah, Department of Environmental Quality, Division of Environmental Response and Remediation, stating that "no

corrective action is required at the site at this time." So this issue appears to have been remediated.

The issues of heap discharge and an interim maintenance plan are not resolved. Jumbo still maintains that it is planning to build a new leach pad and restack the material from the old pads, thus nullifying the need for any corrective action or maintenance plan.

Hedberg was concerned with identifying all facilities associated with the plant that would require reclamation, and Dave Hartshorn provided him with a list of the assets of the operation when it changed hands from Western States. We then went outside and toured the plantsite. Mark Novak and I broke off from the rest of the group to look at the heap liners. The PVC lining the runoff streams are badly sun-rotted, and for the most part have no integrity. The preg-pond has a fair amount of water in it, so it is safe to assume that some runoff from the heaps makes it to the pond, but there must also be a fair amount leaching into the ground.

When we re-grouped at the office, I displayed some maps attached to amendments to the POO, that showed outlying exploration areas that appeared never to have been inspected. These areas are south of the plant site, to the east of the main road leading to the mine. Dave Hartshorn took us down to the sites indicated on the map, and we paced out the length of the access roads leading to drill sites (indicated as sites A and B on the attached map). There were about 4400 feet of roads that averaged about 18 feet in width, for a total of about 1.8 acres of disturbance. I told Hedberg and Munson that I would consult an aerial photo back at the office, and map out the exact locations of the disturbances.

We then inspected the Monarch and the Joy exploration pits, both of which are on patented claims. The reclamation work has been done on both of these, and will be closed out when vegetation is established on the sites.

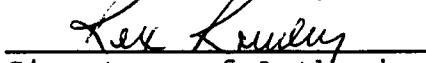
Back at the office, while mapping out the exploration roads from aerial photos as I had planned, I found a third exploration road north of the other two. This disturbance does not appear on a 1978 aerial, so it most likely was also done by either Western States or Nevada Resources, who was the initial company that conducted exploration in the area, and whose rights and responsibilities Western had bought out. Nevada Resources had submitted a Notice of Intent on February 16, 1983, stating intent to conduct exploration in that area. Whether this disturbance was created by Western States or Nevada Resources is a moot point however, as Dave Hartshorn indicated in our meeting that the result of the lawsuit appears to be that Jumbo must assume reclamation responsibility for any liabilities on any claims it bought from Western States.

The same NOI from Nevada Resources referred to above, also stated

that exploration would be conducted in Section 17, T. 15 S., R. 10 W. I have never checked this site for disturbance. None shows on the aerial photos, however there could be minor problems such as open drill holes. This site should be inspected at the next convenient opportunity.



Signature of Inspector



Signature of Authorized Officer

December 29, 1995

Rody Cox
Bureau of Land Management
15 East 500 North
P.O Box 778
Fillmore, UT 84631

RE: Reponse to Bureau' letter dated December 13, 1995

Dear Mr. Cox:

We have received and reviewed the BLM letter dated 12/13/95 and wish to comment on the issues raised in the letter

RESAMPLING OF SAMPLE DM-S-1A

The sample was collected from the south mixing tank which contains approximately 3,700 pounds of lime. The total amount of cyanide remaining in the tank was calculated to be less than 2 pounds. Jumbo will resample the tank sludge and run a Reactivity Test on it.

RESAMPLING OF SAMPLE DM-S-4

The sample was a composite of soil collected from the battery storage area. The amount of contaminated soil (rock) was determined to be 4,000 pounds and contains 0.55 pounds of lead. We will resample the material and run a Toxic Characteristic Leaching Procedure test on the sample.

UNDERGROUND STORAGE TANKS

The tanks have been removed and the underlying soil sampled. A copy of the results have already been submitted to the Bureau. DERR has sent us a letter (copy enclosed) stated that no corrective action is required at the mine.

HEAP DISCHARGE

A meeting was held with the Division of Water Quality (DWQ) on December 20, 1995 and the current status of existing heaps was discussed. I stated that a complete sampling program of heap runoff will be conducted in early spring. Larry Mize of DWQ stated that if we proceeded with our plan to restack the existing heap material on the new approved heap, then sampling of heap drainage and any possible corrective action will not be needed.

INTERIM MAINTENANCE PLAN

Since we are planning to restack the old heap material onto the new heap, reclamation will be covered under our new heap operation plan. Therefore, a revised reclamation plan for the existing heaps will not be needed.

If you have any questions, please call me at 864-4697.

Sincerely,

Dave Hartshorn
Project Manager



State of Utah

DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF ENVIRONMENTAL RESPONSE AND REMEDIATION

Michael O. Leavitt
Governor

Dianne R. Nielson, Ph.D.
Executive Director

Kent P. Gray
Director

168 North 1950 West
P.O. Box 144840
Salt Lake City, Utah 84114-4840
(801) 536-4100 Voice
(801) 359-8853 Fax
(801) 536-4414 T.D.D.

ERRU-662-95

December 20, 1995

Mr. Dave Hartshorn
Jumbo Mining
P.O. Box 999
Delta, Utah 84624

RE: Underground Storage Tanks (USTs) at Drum Mine, 32 Miles NW of Delta, Utah
Facility ID.#2000244, Tanks #1 (4,000 gallon unleaded) and #2 (2,500 gallon waste oil)

Dear Mr. Hartshorn:

A review of the information you have submitted in the closure notice received on December 11, 1995, for the above referenced underground storage tanks, indicates that no corrective action is required at the site at this time. The information you have submitted indicates that any detectable petroleum contamination at the site complies with state underground storage tank rules. Based upon these rules there appears to be no threat to human health or the environment.

Further corrective action may be needed in the future if contamination is found that threatens human health or the environment. Please contact Gary Astin at (801) 536-4103, if you have any questions regarding this matter.

Sincerely,

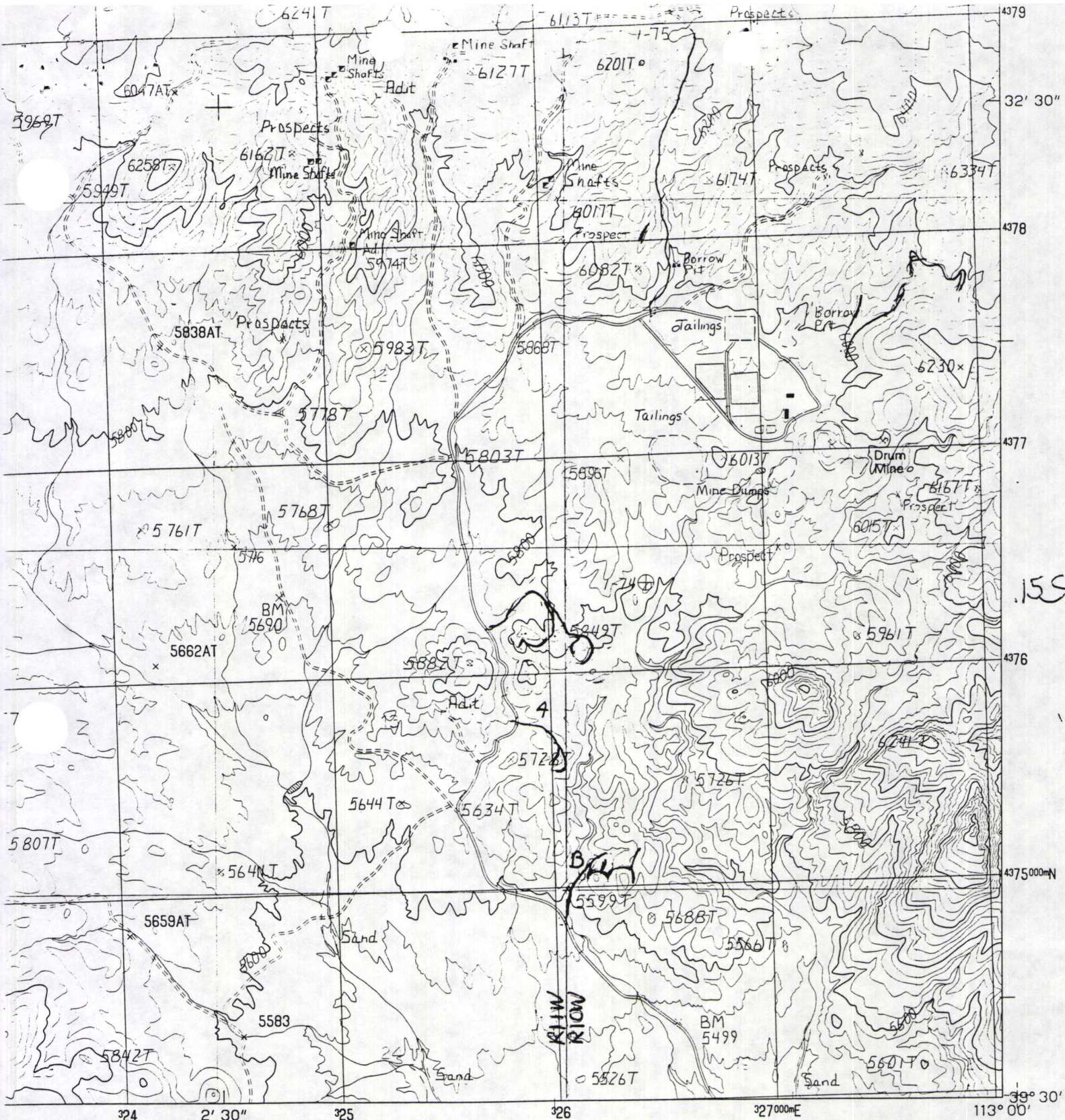
Kent P. Gray, Executive Secretary (UST)
Utah Solid and Hazardous Waste Control Board

KPG/GKA/jd

cc: Robert Resendes, M.B.A., M.T., Director, Central Utah Public Health Department
Tamie Call, LUST Section

09-95





INTERIOR-GEOLOGICAL SURVEY, RESTON, VIRGINIA-1989

2' 30"

2000

8000 9000 10000

UTAH

QUADRANGLE LOCATION

1	2	3
4		5
6	7	8

ROAD LEGEND

Improved Road

Unimproved Road

Trail

Interstate Route U.S. Route State Route

LADY LAIRD PEAK, UTAH

PROVISIONAL EDITION 1988

39113-E1-TF-024

ADJOINING 7.5' QUADRANGLE NAMES

1	2	3
4		5
6	7	8

1 Topaz Mountain West
 2 Topaz Mountain East
 3 Picture Rock Hills
 4 Topaz Mountain SW
 5 Drum Mts. Well
 6 Whirlwind Valley NW
 7 Little Drum Pass
 8 Smelter Knolls West